

NEW OUTSOURCING



**INFO/TEXAS KIOSKS PUT
EMPLOYMENT INFORMATION AT THE
FINGERTIPS OF THE STATE'S CITIZENS —
AND THERE'S NO UP-FRONT COSTS**

TO THE STATE.

By Michelle Gamble-Risley
Contributing Editor

Most people would rather have a root canal than transact business with any level of government. Government means confusion, long lines, fees and regulations, and wasted lunch hours.

But just when everybody knows how bad it all is, along comes a useful technology to break the stereotypes — the information service kiosk. Like an ATM, kiosks provide access to government information through full-motion video, graphics, text and stereo sound. States like California and Hawaii have already begun using them in pilot programs called respectively Info/California and Hawaii Access.

Info/California in particular set an excellent example of how this technology can be used to serve the public interest. Info/California is a multi-agency application being managed by the Health and Welfare Data Center on behalf of many other state agencies, programs and departments.

Although this program is still in its infancy, it became a model for other states to follow. One such state is Texas. Officials at the Texas Employment Commission (TEC) were so impressed with the kiosk concept, that they quickly acted to develop a similar program they named after Info/California, calling it Info/Texas.

"We have been overwhelmed by people seeking our services," said Mike Fernandez, director of information systems for the TEC. "More people were coming through our offices than we could take the time to give quality service. Our Chief Executive Officer Bill Grossenbacher looked for ways to give the customer more 'point of value' for what they receive."

"We began to look at technology

as an enabler," continued Fernandez. "Our ideas were driven by the fact that you don't have to go inside the bank anymore, you can shop by catalog or TV, and you can watch movies on demand through cable channels. Grossenbacher examined these trends and realized consumers have become more sophisticated — they don't have to have one-on-one attention."

DOWN TO BUSINESS

Once the TEC decided on the kiosk system, they negotiated a unique deal with Info/California vendor North Communications. In order to cut through the tedious

procurement process that has held up the final installation of the Info/California program, North Communications and the TEC made a rather unusual deal.

"Essentially, it's a new kind of outsourcing," said Michael North, the president of North Communications. "Info/California went through the standard public procurement bid and took a couple of years to approve. It also required a substantial investment by the state of California to purchase the hardware, software and service maintenance contract. The state of Texas, however, is purchasing nothing."

Instead, North Communications

is providing the hardware, software, etc. and charging the state a usage fee. This cost is a kind of rental fee which ranges from \$60 to \$80 per kiosk. There is an access charge of \$1.50 to \$3.00 for kiosks which provide a service.

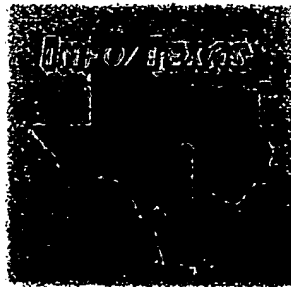
"The agreement was for North Communications in partnership with IBM to provide an infrastructure, an interface to our system, an interactive video and to manage this network at no cost to us — this was a very attractive deal," said Fernandez.

This program mirrors the concept behind the trendy term "reinventing government." It's an example of how state and local governments can get things done quickly, and in a cost-effective and efficient manner. For example, while Info/California has successfully installed 12 kiosks, the rest aren't yet deployed. Meanwhile, Info/Texas' novel approach has pushed through the installation of the first 20 kiosks in a matter of six months, with an expected deployment of the next 30 by mid-spring.

"What we're doing is creating a brand-new service — a new piece of infrastructure and an operation that is different from traditional outsourcing involving a single agency," said North. "After all, it isn't the government's job to own hardware, a network and so on. The government's job is to deliver services to citizens and do the intermediate things to achieve their goals."

North does advise other vendors not to assume such a risk without allowing the government agency to lead the way. "We're providing a medium on their terms and requirements. It's all been carefully agreed to in advance. Basically, they're getting a service without all the muss and fuss," he explained. "[North Communications] doesn't get

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Best Available Copy

paid a nickel until people use it. It's a jungle out there and the laws of the jungle apply if you're going to be efficient."

AT YOUR FINGERTIPS

So just where can the average Texan find a kiosk? Does the local shopping mall or grocery store sound convenient enough? This is just where they're being deployed — in places that will make obtaining the TEC's services and information as easy as one-stop shopping.

Except for specific private job-related details, most TEC transactions can be handled by kiosk. These machines are networked to the TEC's mainframe and contain information regarding services, such as the status of unemployment benefits, tax status and rate information, and job information. Users will also find jobs listed from the Governor's Job Bank and America's Job Bank which provides current listing of employment opportunities from state to state.

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"People will find that most questions can be easily answered by visiting a kiosk," said Blakeley. "It helps people find jobs quickly, and we better serve our 8 million workers. If people don't want to use a kiosk, they can still come to us — we're still in the business of serving our customers. We don't want to lose this personal touch."

TEC hopes the kiosks will eventually allow job seekers to apply for jobs, file unemployment insurance claims or file claims for unpaid wages under the Texas Payday Law. Employers will also be able to review company tax records and submit job orders.

"The real benefit to the taxpayer will be that they can have access to these terminals at hours and locations that fit their schedules," said Retha Blakely, public information officer for the TEC. "Not everybody is in a position to take off work to get things done. It's always been a puzzle to me why government works the same hours as the average worker and expects us to come to them."

"We believe that Info/Texas is another essential step in giving Texans



access to job and information that will improve the state's labor market," said Eddie Cavazos, the TEC's chairman. "Eventually, the network will be the 'single face to government' the public has been waiting for."

AROUND THE BEND

Info/Texas is under a five-year pilot agreement that will be annually renewed and re-negotiated as the TEC has the chance to observe the program's success. According to North, the goal is to have 100 kiosks out in the field by this June with basic applications. More applications will be added throughout the summer and next year. "We're even looking at a jump start of advanced kiosks for 1995," said Fernandez.

"We're very happy about this program," added Blakeley. "We're willing to put [the kiosks] out there and see if the public is ready for the technology. What we've seen across the state is a strong interest, and people are really excited about the capabilities. The idea that you can walk up to a machine that's right in front of you is marvelous — I can't think of an easier way to get services."

INFO/CALIFORNIA UPDATE

It's been a couple of years since vendors proudly showed off the kiosks that were to become the centerpiece of the Info/California program. Since then, California has been awaiting the day when a visit to a kiosk meant more than buying a sack of groceries. So what's taking so long?

We asked a group of contractors for their initial impressions of the program. While the initial support services were excellent, the initial development and implementation of the program were slow.

The contractors noted that the program was slow to get off the ground. They cited a number of reasons for this, including a lack of funding, a lack of staff, and a lack of coordination between the different agencies involved. They also noted that the program was slow to get the attention of the public.

Despite these challenges, the contractors remained optimistic about the future of the program. They believed that with the right funding, staff, and coordination, the program could become a success.